



State of California—Health and Human Services Agency
Department of Health Care Services



EDMUND G. BROWN JR.
GOVERNOR

DATE: September 13, 2013 **PPL No. 13-011**

TO: Local Educational Agencies (LEAs)

SUBJECT: LEA Medi-Cal Billing Option Program – Freedom of Choice of Qualified Medicaid Providers including TCM Providers

This Policy and Procedure Letter (PPL) notifies Local Educational Agencies (LEAs) participating in the LEA Medi-Cal Billing Option Program that LEA Medi-Cal beneficiaries receiving qualified services, including Targeted Case Management (TCM) services, have the freedom to choose any qualified Medicaid provider for medical care. Provider, in this context, refers to a participating LEA, clinic, hospital or other qualified Medi-Cal billing entity or practitioner.

Section 1902(a)(23) of the Social Security Act allows beneficiaries to obtain services from any qualified Medicaid provider that undertakes to provide the services to them as specified in 42 Code of Federal Regulations (CFR) 431.51(a)(1). Additionally, 42 CFR 441.18(a)(1) provides that the state will ensure the provision of TCM services will not restrict an individual's free choice of providers in violation of section 1902(a)(23) of the Act.

The Freedom of Choice provision does not exempt LEAs from providing services outlined in the Individuals with Disabilities Education Act (IDEA), nor does it permit beneficiaries to elect a specific practitioner within the LEA. If a Medi-Cal beneficiary elects to receive a qualified Medi-Cal service outside of the LEA provided by a qualified Medi-Cal provider, the LEA cannot bill for that same service and will not be responsible for payment.

The LEA Medi-Cal Billing Option Program Provider Participation Agreement has been amended to include the Freedom of Choice requirement. The Department of Health Care Services (DHCS) will also update the LEA Provider Manual effective October 2013 to include this information.

If you have any questions concerning this PPL please contact Mr. Rick Record, Administrative Support/LEA Program Unit Chief, by phone at (916) 552-9065 or by email at Rick.Record@dhcs.ca.gov.

Sincerely,

ORIGINAL SIGNED BY GERI BAUCOM

Geri Baucom, Chief
Administrative Claiming, Local and School Services Branch